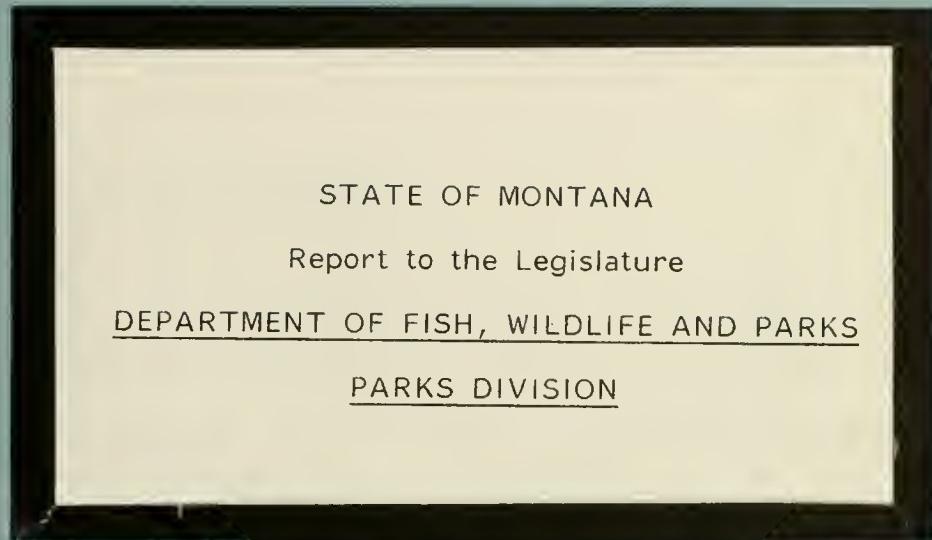


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STATE OF MONTANA

Report to the Legislature

DEPARTMENT OF FISH, WILDLIFE AND PARKS

PARKS DIVISION

This report contains recommendations for improvements in the management and operation of the Parks Division's activities including:

- Development of an overall long-range plan for the state parks system.
- Establishment of formal recreation site selection criteria.
- Increased division input into the Coal Tax park acquisition process.
- Better identification to the public of division recreation sites.
- Review and development or disposal of currently undeveloped sites.

STATE OF MONTANA

Office of the Legislative Auditor



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November 1983

The Legislative Audit Committee
of the Montana State Legislature:

This is our performance audit of the Parks Division of the Department of Fish, Wildlife and Parks. This report contains recommendations for improvement in the management and operation of the Parks Division. The Department of Fish, Wildlife and Parks responses are contained beginning on page 29.

We wish to express our appreciation to the director and his staff for their cooperation and assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott A. Seacat".
Scott A. Seacat
Deputy Legislative Auditor

Approved:

A handwritten signature in black ink, appearing to read "Robert R. Ringwood".
Robert R. Ringwood
Legislative Auditor

TABLE OF CONTENTS

	<u>Page</u>
Administrative Officials	iii
List of Illustrations	iv
<u>Chapter I</u> <u>Introduction</u>	
Objectives of the Audit	1
Management Memorandums	2
Scope of Audit	2
<u>Chapter II</u> <u>Parks Division</u>	
Background	4
Division Responsibilities	4
Recreation Site Acquisition	5
Recreation Site Usage	5
Division Organization	6
Planning and Project Administration Bureau	6
Design and Construction Bureau	7
Operations Bureau	7
Regional Personnel	8
Division Financial Activity	9
Concessionaires	13
<u>Chapter III</u> <u>Planning</u>	
Planning	14
<u>Chapter IV</u> <u>Site Acquisition and Development</u>	
Recreation Site Selection	16
Coal Tax Parks Acquisition Process	17

TABLE OF CONTENTS (Continued)

	<u>Page</u>
Proposal Evaluations	18
Proposal Deadline	19
Undeveloped Recreation Sites	20
<u>Chapter V</u>	
<u>Division Operations and Maintenance</u>	
Identification of Recreation Sites	23
Division Liability	25
Fees	26
Recreation Site Usage Fees	26
Concessionaire Fees	27
Canyon Ferry Recreation Area Enforcement Activity	28

ADMINISTRATIVE OFFICIALS

Department of Fish, Wildlife and Parks

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Dick Johnson	Deputy Director
Ron Marcoux	Associate Director

Parks Division

Don D. Hyppa	Administrator
Gretchen Olheiser	Planning and Project Administration Bureau Chief
Richard E. Mayer	Design and Construction Bureau Chief

LIST OF ILLUSTRATIONS

<u>No.</u>		<u>Page</u>
1	Division Recreational Sites	4
2	Total Division Land Holdings	5
3	Division Recreation Site Usage	6
4	Department Administrative Regions and Offices	9
5	Division Expenditures	10
6	How Division Funds Were Expended	11
7	Source of Funds Expended by the Division	12
8	Division and U.S. Forest Service Recreation Sites by Region	16
9	Undeveloped Division Sites	20

Chapter I

INTRODUCTION

A performance audit of the Parks Division of the Montana Department of Fish, Wildlife and Parks was performed at the request of the Legislative Auditor. This report summarizes the results of the audit of the division's planning and project administration functions, site selection and development procedures, and park system operation and maintenance.

OBJECTIVES OF THE AUDIT

The objectives of this audit were to determine if the division is managing and using its resources efficiently and effectively in achieving desired results, and to identify the causes of any inefficiencies or ineffective practices. This audit report includes recommendations to management regarding:

- development of an overall long-range plan including specific and measurable goals and objectives for the state parks system;
- periodic comparison of division performance against goals and objectives;
- establishment of formal recreation site selection criteria;
- increased division input into the Coal Tax park acquisition process;
- review and development or disposal of currently undeveloped recreation sites;
- development of a status system to monitor recreation site status;
- better identification to the public of division recreation sites;
- greater inspection emphasis to identify and minimize potential division liability;
- establishment of formal criteria for setting recreation site usage fees and concessionaire fees; and
- improved enforcement at the Canyon Ferry Recreation Area.

During our audit we provided Parks Division management with twelve interim audit communications. Interim audit communications are written solicitations of responses from agency management for selected audit points. They addressed areas relating to potential report issues and recommendations, and were intended to inform the division of these issues during the audit, rather than after audit completion.

MANAGEMENT MEMORANDUMS

In addition to the recommendations in this report, we also made suggestions in three areas using management memorandums:

- fishing access site selection process - we suggested that the division consider additional criteria when selecting fishing access sites.
- concessionaire audits - we suggested that the division periodically review the financial activity of concessionaires.
- concessionaire contracts/agreements - we suggested that the division include specific language in these agreements allowing audit access to records and facilities.

SCOPE OF AUDIT

The audit focused on the effectiveness and efficiency of the division's operation of the state parks system. It did not include a review of the financial status of the division. The audit was conducted in accordance with generally accepted governmental performance auditing standards.

We found that the division was in substantial compliance with applicable laws and regulations related to division effectiveness and efficiency. For those rules and regulations not related to effectiveness or efficiency and, therefore, not tested for compliance, nothing came to our attention during the audit that indicated significant agency non-compliance.

We examined and observed division policies, procedures, management reports, and operating statistics from 1980 to the present. We also visited a number of division recreation sites and regional offices.

During the audit we noted weaknesses in the adequacy of the division's administrative controls concerning the division's planning function and related evaluation of program results. These weaknesses are discussed further in Chapter III.

We did not review the division's administration of federal Land and Water Conservation Funds since this activity was reviewed as part of a previous financial/compliance audit done by our office. We did not review the division's cabin site leasing procedures since this area was included in a performance audit done by our office on state lands. We also did not review the division's capitol grounds maintenance activity, which was transferred to the division during the 1983 Legislative Session, because it is still in the implementation stage.

Chapter II

PARKS DIVISION

BACKGROUND

The Montana State Park Commission was established in 1939. The state parks system was under the control of this commission until 1953, when related powers and responsibilities were transferred to the State Highway Commission. In 1965, the Department of Fish, Wildlife and Parks (formerly the Department of Fish and Game) was assigned responsibility for the state parks system and its operations and maintenance.

DIVISION RESPONSIBILITIES

The Parks Division, within the Department of Fish, Wildlife and Parks, operates and maintains the state parks system, including state parks, recreation areas, monuments, recreational waterways, recreational roads and trails, and fishing access sites. The division is also responsible for the conservation of scenic, historic, archaeological, scientific and recreational resources of the state, the administration of the federal Land and Water Conservation Fund in Montana, and providing for maintenance and installation of snowmobile facilities. The following illustration lists the recreational sites the division was responsible for operating and maintaining as of June 30, 1983:

DIVISION RECREATIONAL SITES
JUNE 1983

	<u>Developed</u>	<u>Undeveloped</u>	<u>Total</u>
State Parks	11	1	12
State Recreation Areas	72	-	72
State Monuments	18	-	18
Fishing Access Sites	178	32	210
State Recreational Road	1	-	1
State Recreational Trail	1	-	1
State Recreational Waterways	5	-	5
Total	<u>286</u>	<u>33</u>	<u>319</u>

Source: Parks Division

These sites consist of the following acreage and acquisition costs.

TOTAL DIVISION LAND HOLDINGS
JUNE 1983

<u>Type of Site</u>	<u>Acres</u>		<u>Cost</u>	
	<u>Purchased</u>	<u>Leased</u>	<u>Purchased</u>	<u>Annual Lease</u>
Fishing Access Sites	18,122	2,127	\$ 4,994,216	\$ 3,654
State Parks, Monuments, and Recreation Areas	<u>18,814</u> ^{1/}	<u>10,492</u>	<u>5,798,788</u> ^{1/}	<u>101,172</u>
Totals	<u>36,936</u>	<u>12,619</u>	<u>\$10,793,004</u>	<u>\$104,826</u>
	+ 61 lots			

^{1/}Does not include the Mt. Haggin State Recreation Area which is included in the department's inventory as a wildlife management area - consists of 54,257 acres purchased at a cost of \$1,900,000.

Source: Parks Division

Illustration 2

RECREATION SITE ACQUISITION

The division receives funding for recreation site acquisition and development through the long-range building program and the Coal Tax parks acquisition process. The main sources of funding are sportsman license fees and interest earned on Coal Tax revenues.

RECREATION SITE USAGE

The division operates a traffic counter program and also uses Department of Highways traffic count information to provide information on usage of division recreation sites. Division sites are used quite extensively as shown in the following illustration.

DIVISION RECREATION SITE USAGE
Calendar Years 1980, 1981 and 1982

<u>Calendar Year</u>	<u>Usage Totals</u>
1980	3,274,489
1981	3,544,000
1982	4,146,400

Source: Parks Division

Illustration 3

DIVISION ORGANIZATION

The division has a total of 86.88 FTE and consists of three bureaus: Planning and Project Administration Bureau, Design and Construction Bureau, and Operations Bureau.

Planning and Project Administration Bureau

The Planning and Project Administration Bureau, with a staff of three, collects and analyzes information relating to recreation in Montana and is also responsible for project administration which includes the following functions:

- administers the Montana Snowmobile Program;
- compiles visitation data from the traffic counter program;
- compiles Coal Tax park proposals;
- develops fishing access site priority ranking system;
- conducts user studies such as the Smith River Study;
- analyzes recreation studies; and
- performs department public relations functions on state recreation issues.

The bureau also administers the Land and Water Conservation Fund (LWCF). The bureau prepares the State Comprehensive Outdoor Recreation Plan (SCORP) as part of this process and distributes LWCF funds in Montana. Recently, the bureau has

worked with the various administrative regions in developing management plans for a number of division sites.

Design and Construction Bureau

The Design and Construction Bureau, with a staff of 7.75 FTE, develops division recreation sites and facilities. Development includes conducting surveys and preconstruction field inspections, drafting maps and master site plans. The bureau also performs design and engineering for construction projects costing \$25,000 or less. For construction projects exceeding \$25,000, the bureau obtains private consultants to do the design work through the Architecture and Engineering Division of the Department of Administration.

The Architecture and Engineering Division acts as the contracting officer for all division construction projects over \$1,000 and also conducts the bidletting process. The bureau monitors contract agreements and conducts on-site inspection during construction work.

The bureau also has an art/design technician who is responsible for division printing, graphics, artwork, and photographs used in annual reports and brochures.

The bureau also maintains the capitol complex grounds. This responsibility was transferred to the division from the Department of Administration as of July 1, 1983. The division has 1.75 FTE assigned to this area consisting of one full-time supervisor and several seasonal personnel for snow removal. The division has contracted with a number of private firms to do grounds maintenance work at the capitol complex during the summer months.

Operations Bureau

The Operations Bureau administers division operations including reviewing regional parks transactions, budgets and capital expenditure requests. The bureau is also responsible for the operation of the Canyon Ferry Recreation Area and the administration of

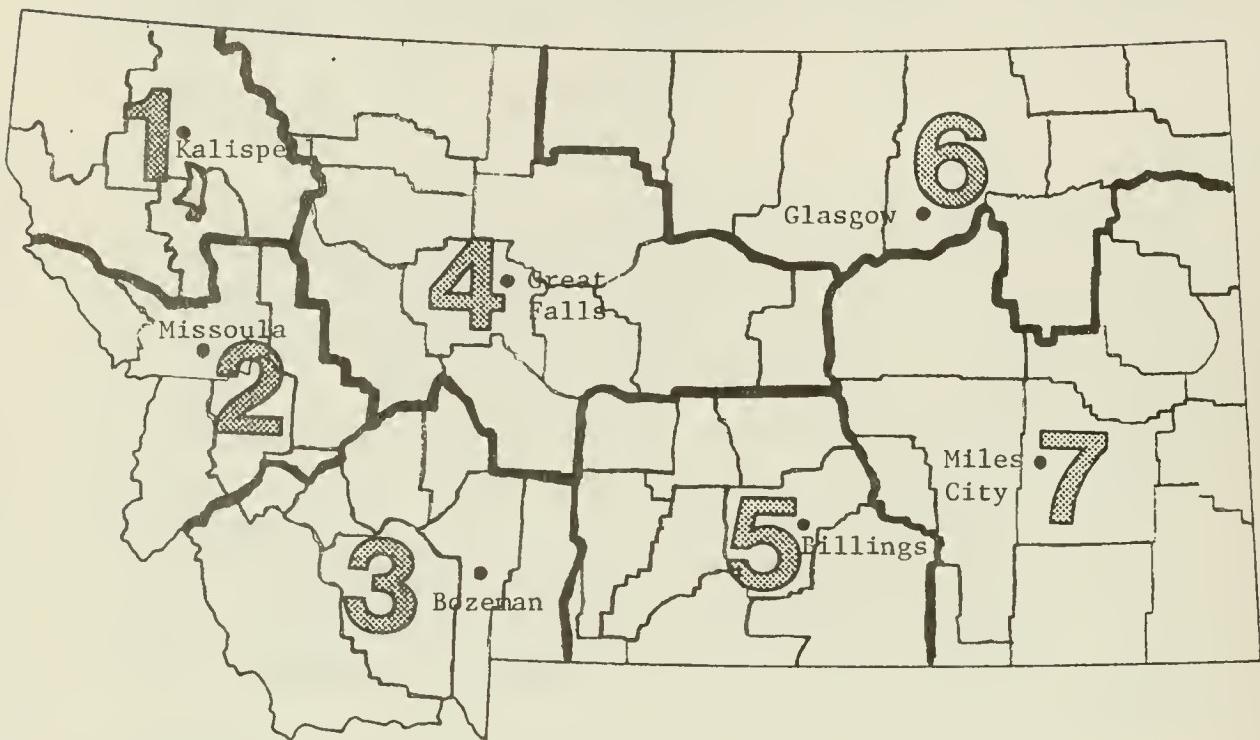
division cabin sites and concessionaires. The division assistant administrator is also the bureau chief and supervises a staff of one secretary, the sign shop manager, a sign painter aide, and the Canyon Ferry Recreation Area manager.

Regional Personnel

The division has 68.23 FTE regional personnel consisting of 27.10 FTE of permanent parks managers and maintenance personnel, and 41.13 FTE of temporary seasonal employees assigned to the department's eight administrative regions. These personnel are responsible for the day-to-day operation and maintenance of division recreation sites in their regions. These personnel are also responsible for submitting regional budget requests and proposals for site acquisition and development within their region. Twenty-three of the permanent personnel have received law enforcement training and have arrest authority for violations of department related statutes.

The division does not have direct supervisory control over regional parks personnel since they are supervised by regional supervisors who are not division employees. Regional supervisors report to the department director and supervise regional personnel from other department divisions. The following map shows the administrative regions and headquarter locations. The Canyon Ferry Recreation Area was recently designated as Region 8 for recreational administration only.

DEPARTMENT ADMINISTRATIVE REGIONS AND OFFICES



Source: Parks Division

Illustration 4

DIVISION FINANCIAL ACTIVITY

Division expenditures for fiscal years 1980-81, 1981-82, and 1982-83 are documented in the next illustration.

DIVISION EXPENDITURES - UNAUDITED
Fiscal Years 1980-81 to 1982-83

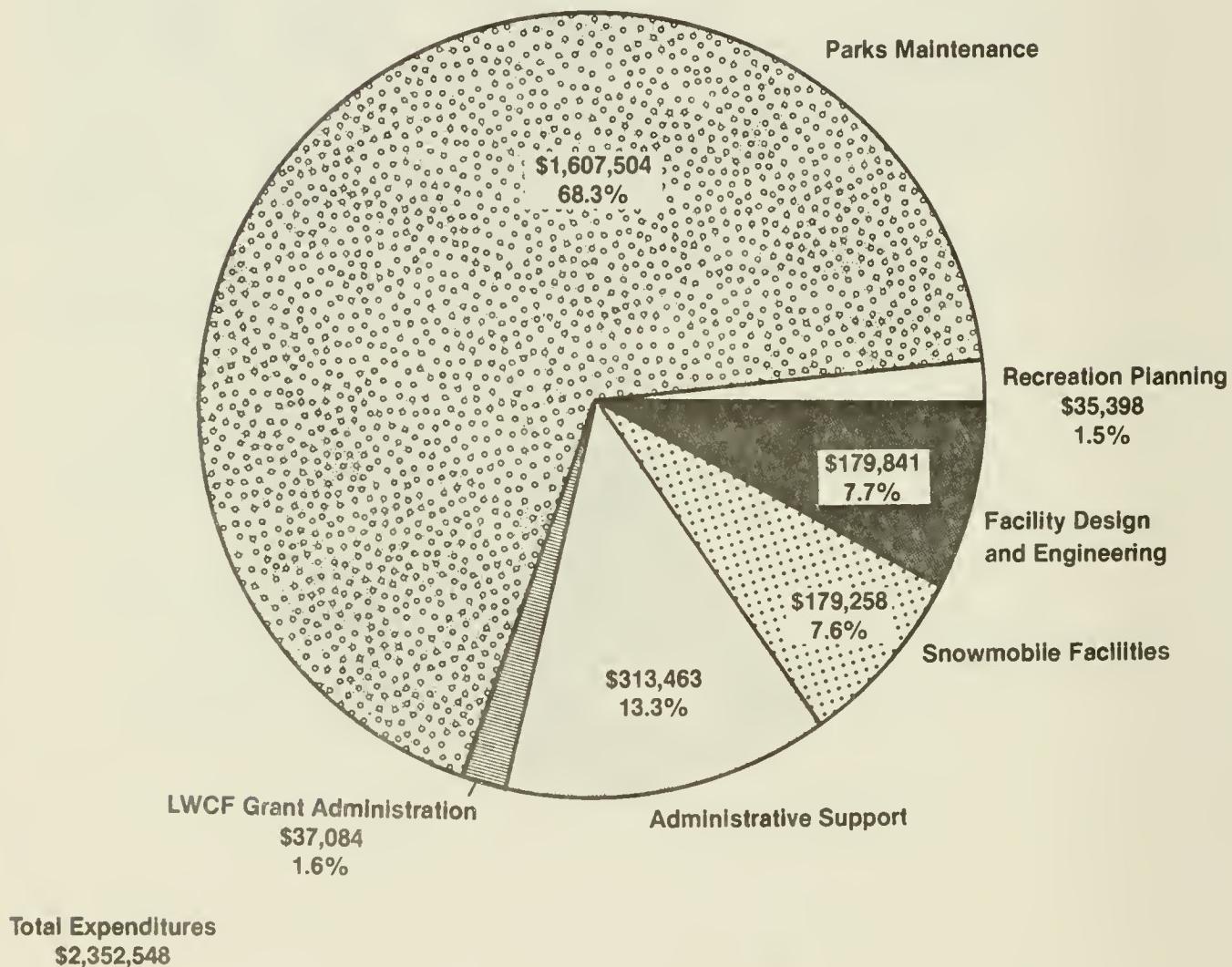
<u>Expenditure Categories</u>	<u>Fiscal Year 1980-81</u>	<u>Fiscal Year 1981-82</u>	<u>Fiscal Year 1982-83</u>
Salaries	\$ 599,624.60	\$ 763,559.59	\$ 873,559.21
Hourly Wages	306,160.37	352,054.96	404,745.26
Employee Benefits	170,978.15	211,317.54	239,168.65
Contracted Services	239,873.10	97,322.38	140,083.78
Supplies & Materials	80,742.17	87,367.28	104,452.65
Communications	22,559.68	28,740.14	31,917.85
Travel	175,080.77	214,321.06	220,818.63
Rent	21,831.17	16,051.54	23,075.31
Utilities	34,472.38	55,473.87	61,152.77
Repair & Maintenance	107,231.30	188,325.24	174,285.07
Other Expenses	35,830.62	24,233.35	27,631.62
Goods Purchased for Resale	132.25	2.55	362.71
Equipment	45,377.88	54,277.01	51,295.43
Totals	\$1,839,894.44	\$2,093,046.51	\$2,352,548.94

Source: From Statewide Budgeting and Accounting System records and not adjusted to reflect generally accepted accounting principles.

Illustration 5

The following illustration shows how division funds were expended during fiscal year 1982-83.

HOW DIVISION FUNDS WERE EXPENDED Fiscal Year 1982-83

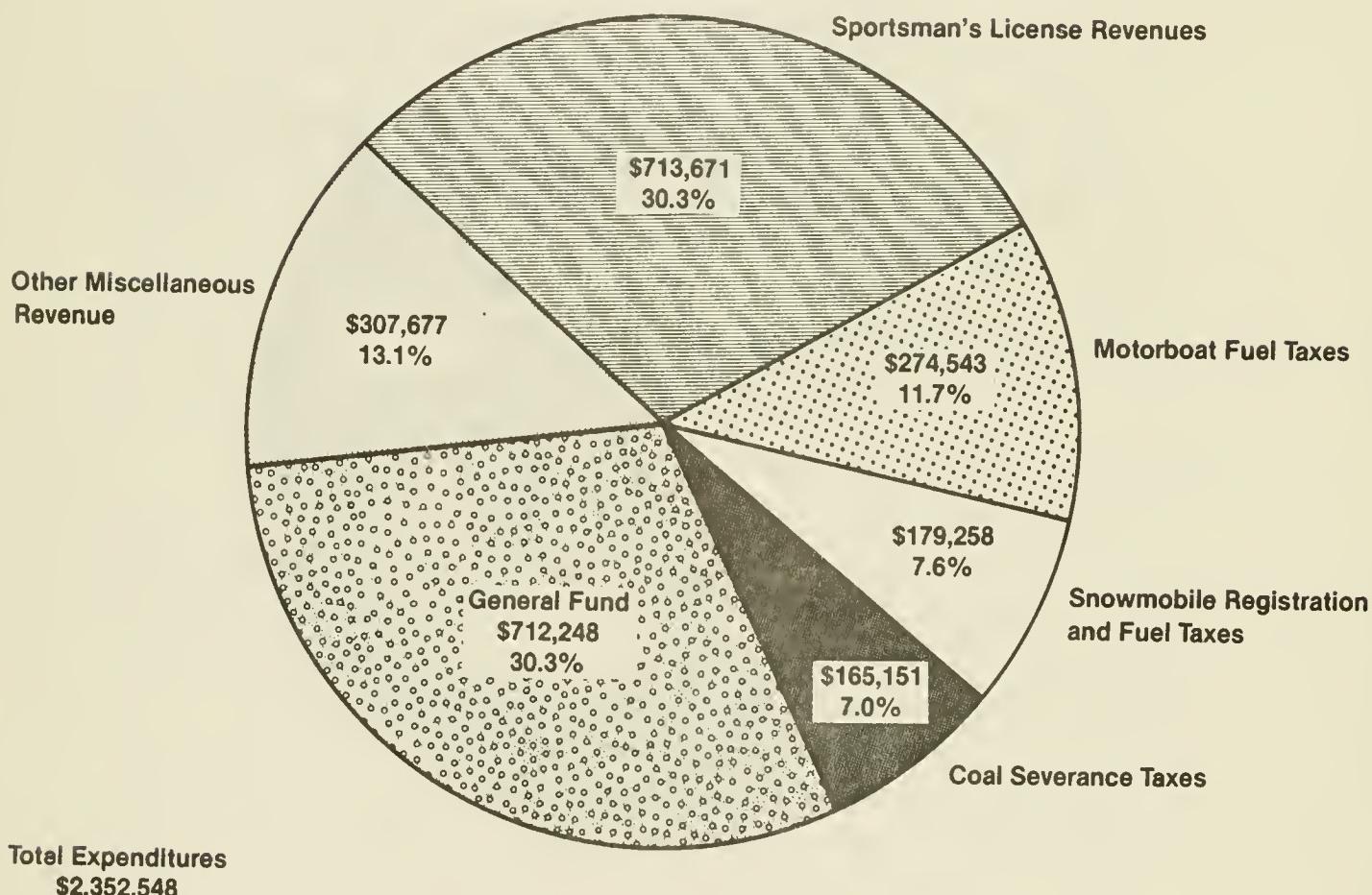


Source: Parks Division

Illustration 6

The following illustration shows the sources of funds expended by the division during fiscal year 1982-83.

SOURCE OF FUNDS EXPENDED BY THE DIVISION Fiscal Year 1982-83



Source: Parks Division

Illustration 7

CONCESSIONAIRES

The Parks Division has authorized six concessionaires to provide the following services on division property:

- Canyon Ferry Recreation Area - 2 marina/campgrounds and 1 marina
- Hell Creek Recreation Area - 1 marina/campground
- Giant Springs State Park - snackbar
- Lewis and Clark Caverns - curio shop and snackbar

The division has formal agreements with each concessionaire including services to be provided and percentages of gross receipts to be paid to the division.

Chapter III

PLANNING

Division planning to date has consisted mainly of establishing administrative budgets and acquisition proposals for each biennium, developing acquisition and management plans for some recreation sites, and the development of the Statewide Comprehensive Outdoor Recreation Plan (SCORP) which is directed at general recreation in Montana for federal Land and Water Conservation Fund purposes. The division does not have an adequate long-range plan for the state parks system which identifies recreation needs and methods of satisfying these needs.

Goals and objectives are an essential part of a long-range plan. Although the division has established some goals and objectives, particularly in the 1978 and 1983 Statewide Comprehensive Outdoor Recreation Plans (SCORP), these goals and objectives present only generalized guidelines concerning management and development of the park system. Few of these goals and objectives are specific or measurable.

As a result of the lack of a long-range plan including adequate goals and objectives, the division operates without adequate direction as to what it intends to accomplish through recreation site acquisition, development, and operation. Without adequate direction, the division's staff can unknowingly deviate from division plans.

The division should develop a long-range plan which establishes priorities for the acquisition and development of recreation sites, and establishes guidelines for the general operations of these sites/facilities. This plan should include consideration of:

1. present and future recreation needs in Montana;
2. existing and potential recreation resources and programs;
3. existing and potential recreation deficiencies; and
4. alternative methods to eliminate recreation deficiencies.

Division management also does not compare the results of its operations against its goals and objectives on a consistent, periodic basis. Program results cannot be properly evaluated and deficiencies corrected if the division does not periodically evaluate its performance against established goals and objectives.

The department established a centralized department planning unit in July 1983 which will be responsible for overall planning for the entire department. The department hopes to have a long-range department plan finalized prior to the 1985 Legislative Session.

RECOMMENDATION #1

WE RECOMMEND THE DIVISION:

- A. DEVELOP A LONG-RANGE PLAN FOR THE STATE PARKS SYSTEM WHICH INCLUDES SPECIFIC, MEASURABLE GOALS AND OBJECTIVES.
- B. PERIODICALLY COMPARE ITS PERFORMANCE AGAINST ESTABLISHED GOALS AND OBJECTIVES.

Chapter IV

SITE ACQUISITION AND DEVELOPMENT

This chapter discusses our analysis of the division's recreation site acquisition and development and includes recommendations related to these functions.

RECREATION SITE SELECTION

The division administers the fishing access site acquisition process and proposes sites for acquisition to the department director and to the Fish and Game Commission. The division proposes other sites to the Legislature for acquisition. Illustration 8 summarizes the number of state recreation sites in each of the seven regions. We have also included the number of U.S. Forest Service facilities in these regions.

DIVISION AND U.S. FOREST SERVICE RECREATION SITES BY REGION
JUNE 1983

Type of Facility	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Totals
State Parks	3	2	3	1	0	0	2	11
State Monuments	0	3	3	4	4	2	2	18
State Recreation Areas	14	4	5	34	4	2	9	72
State Fishing Access Sites	<u>27</u>	<u>32</u>	<u>38</u>	<u>29</u>	<u>34</u>	<u>6</u>	<u>12</u>	<u>178</u>
Total State Facilities	<u>44</u>	<u>41</u>	<u>49</u>	<u>68</u>	<u>42</u>	<u>10</u>	<u>25</u>	<u>279</u>
Forest Service Sites	<u>37</u>	<u>40</u>	<u>44</u>	<u>30</u>	<u>18</u>	<u>1</u>	<u>4</u>	<u>174</u>
Total State and Forest Service Facilities	<u>81</u>	<u>81</u>	<u>93</u>	<u>98</u>	<u>60</u>	<u>11</u>	<u>29</u>	<u>453</u>

Source: Compiled by the Office of the Legislative Auditor from Parks Division records.

Illustration 8

Although the division has a process through which regional parks personnel submit requests to division management for regional acquisition, the division has not had adequate selection criteria for

sites to be proposed for acquisition. Without formal site selection criteria, the division cannot be assured of an equitable allocation of recreation sites that fit the needs of the public.

The division implemented a new fishing access site selection process in September 1983. This process will provide better control over acquisitions and ensure equitable allocation of fishing access sites. The division should develop a similar formal process for the selection of other types of division recreation sites that includes consideration of the following:

1. population needs;
2. availability of sites for development;
3. division sites already available and their usage levels; and
4. other government recreation facilities available.

RECOMMENDATION #2

WE RECOMMEND THE DIVISION DEVELOP FORMAL RECREATION SITE SELECTION CRITERIA.

COAL TAX PARKS ACQUISITION PROCESS

In 1975 the Montana Legislature earmarked a portion of the Coal Severance Tax revenue for the acquisition of park lands. Since 1977, only the interest accrued from these revenues can be expended for this purpose.

Prior to 1979, the department proposed areas to be acquired with Coal Tax money. In 1979, the Legislature opened the proposal responsibility to any person, association, or representative of a governing unit. The department did not submit proposals under the statutory change and only provided a summary of public proposals in 1981. The 1981 Legislature's Long-Range Building Committee passed a resolution asking the department to also submit proposals for Coal Tax acquisitions. The department included its own proposals along with public proposals in the summary provided to the 1983 Legislature.

Proposal Evaluations

The present proposal document consists of a brief introduction by the division and brief proposal and evaluation forms which are completed by the sponsor for each proposal. The document does not include any assessment of the proposed acquisitions in terms of the state parks system's needs and development potentials. The result has been that formal division input has not been provided to the Legislature to ensure the acquired recreation sites meet the Parks Division needs.

This issue is evidenced by the following three state recreation areas (SRAs) which were approved for acquisition through the Coal Tax proposal process, even though they may not meet the definition of a state recreation area:

1. Spring Meadow Lake SRA - Helena (acquired and operating)
2. Lake Elmo SRA - Billings (acquired and operating)
3. Glen Lake SRA - Bozeman (acquisition in process)

Spring Meadow Lake SRA and Lake Elmo SRA consist of similar recreation sites. Glen Lake SRA, when acquired and developed, will be quite similar to the first two recreation sites.

ARM section 12.8.103 describes a state recreation area as follows:

"Contain natural or artificial resources which provide outdoor recreational opportunities which will attract visitors from beyond the local area. They may be located in areas which have serious deficiencies in public outdoor recreation facilities, provided that state recreation areas should not be furnished in lieu of municipal, county, or federal facilities."

These three sites are more "community" recreation sites than they are state recreation areas since they are located on the edge of the three named cities and are being developed mainly for day use. It does not appear likely that these three sites will attract visitors from beyond the local area. A division usage study at Lake Elmo SRA found that most users came from within 5-20 miles of the facility.

Since division personnel generally visit each proposed site, we believe the division could provide valuable information to the

Legislature regarding its assessment of acquisitions proposed by the public. To do this, the division should expand its role in the Coal Tax park acquisition process and redesign the Coal Tax proposal document to include a written division evaluation of all proposals. Such information would better ensure that approved acquisitions meet the needs of the state parks system.

We discussed the expansion of role with division officials. Division management does not believe the Legislature wants additional guidance from the division in selecting Coal Tax park sites. We could not find a specific statutory prohibition or expressed legislative intent that would prevent the division from providing additional information and making recommendations on the proposed sites. In fact, we noted in hearing minutes references to legislative requests for additional information.

RECOMMENDATION #3

WE RECOMMEND THE DIVISION REDESIGN THE COAL TAX PARKS ACQUISITION PROPOSAL SUMMARY TO INCLUDE A DIVISION EVALUATION OF EACH PROPOSAL.

Proposal Deadline

Section 23-1-108, MCA, requires that public Coal Tax parks acquisition proposals be submitted to the Department of Fish, Wildlife and Parks by December 1 of the year preceding the convening of a legislative session. The present deadline does not allow the division adequate time to evaluate public proposals as recommended in the previous report section. These evaluations are essential to ensure the approved acquisitions meet the needs of the state parks system.

RECOMMENDATION #4

WE RECOMMEND THAT LEGISLATION BE ENACTED TO CHANGE THE COAL TAX PARKS PROPOSAL SUBMITTAL DATE TO JULY 1 OF THE YEAR PRECEDING THE CONVENING OF A LEGISLATIVE SESSION.

UNDEVELOPED RECREATION SITES

During our audit we identified 29 undeveloped recreation sites that were acquired by the division in 1980 or earlier. These sites have not been developed or identified to the public with signs and are generally not used. The 29 sites cost a total of \$1,085,006 and consist of 3,214 acres of undeveloped land as noted in the following illustration.

UNDEVELOPED DIVISION SITES JUNE 1983

<u>Site Name</u>		<u>Date Acquired</u>	<u>How Acquired</u>	<u>Cost</u>	<u>Size of Site</u>
Bridger State Park		Jan 50	Purchase	\$ 2,400.00	120.00 acres
Johnson Reservoir	FAS	May 54	Purchase	1,495.00	146.60 acres
Branum Lake	FAS	Aug 58	Purchase	2,500.00	70.75 acres
Welcome Creek	FAS	May 59	Purchase	10,726.00	107.26 acres
Tamarack Creek	FAS	May 59	Lease	25.00/yr	4.00 acres
Whitefish River	FAS	Sept 62	Purchase	100.00	3.16 acres
Cedar Meadow	FAS	Sept 64	Exchange	-0-	3.47 acres
Murphy	FAS	Jan 65	Exchange	-0-	542.00 acres
Devon Reservoir	FAS	Aug 65	Easement	310.00	10.00 acres
Box Canyon	FAS	Apr 67	Exchange	-0-	164.68 acres
Reynold's Pass	FAS	Sep 69	Purchase	28,000.00	161.50 acres
Tarkio East	FAS	Nov 72	Easement	-0-	87.00 acres
Tolksdorf Reservoir	FAS	Nov 73	Lease	138.90/yr	7.00 acres
Trish Island/					
Kentucky Island	FAS	Feb 78	Lease	30.00/yr	17.00 acres
Bass Creek	FAS	Mar 78	Easement	10.00	22.50 acres
Ducharme	FAS	Apr 78	Exchange	-0-	48.22 acres
Surplus Highway Tract	FAS	May 78	Easement	10.00	10.76 acres
Swartz Creek	FAS	Apr 79	Purchase	9,000.00	14.00 acres
West Emigrant	FAS	Jun 79	Purchase	68,966.00	70.70 acres
Maud Island	FAS	Jul 79	Lease	10.00/yr	48.00 acres
Aunt Molly	FAS	Oct 79	Purchase	655,811.40	1237.00 acres
Saco	FAS	Nov 79	Easement	-0-	under 1 acre
Gembala	FAS	Dec 79	Purchase	210,657.60	58.50 acres
Woodlot	FAS	Dec 79	Donation	10.00	20.00 acres
Hysham Island	FAS	Jan 80	Lease	36.40/yr	30.00 acres
Shermer Property	FAS	Jan 80	Purchase	40,000.00	50.00 acres
Woodside Bridge	FAS	Jan 80	Lease/Ease.	10.00	29.00 acres
Ashmore Property	FAS	Dec 80	Purchase	55,000.00	131.00 acres
Huppert Island	FAS	Dec 80	Donation	-0-	95'x130'
Totals				\$1,085,006.00*	3,214.10 acres

*Excludes lease payments of \$240.30 annually.

Source: Compiled by the Office of the Legislative Auditor
from Parks Division records

The division has not planned or developed these sites. In our review of division files, we found that little, if any, planning and no development has been done regarding these sites, even though some have been held for more than 20 years. We did not find any site management plans which document what the division intends to do with these sites.

Another largely undeveloped recreation site is the Mount Haggin SRA. This site consists of more than 54,000 acres and was acquired in 1976 at a cost of \$1,900,000. The only recreational development to date has been putting in a parking area for snowmobile users and a minimal number of road signs. While the division had done some studies of archaeological value and potential uses, it has failed to develop this facility as a recreational site on a timely basis. Some of the property is being leased for grazing and timber purposes. During our field visit to the area, we noted the site has not been adequately identified to the public.

The division has the responsibility to develop recreation sites and make them available to the public on a timely basis. Division management states that these sites have not been developed on a timely basis due to funding shortcomings. We acknowledge that the legislative appropriations for FAS acquisition have been larger than appropriations for FAS operation, development, and maintenance. Currently only 25 percent of FAS funding is available for FAS operation, development, and maintenance. Division personnel stated that this 25 percent of funding is presently only adequate to fund FAS operation and maintenance.

The division also does not have a status system for undeveloped/partially developed sites and could not provide us with a current listing of undeveloped sites. We had to review individual recreation site files to identify these undeveloped sites. A status system for these sites would keep the division better informed as to their existence and could be used to justify development funding requests to the Legislature.

The division needs to review undeveloped sites and identify those sites that meet the division's needs and plan to develop them on a timely basis. The division should dispose of the unusable sites.

RECOMMENDATION #5

WE RECOMMEND THE DIVISION:

- A. REVIEW CURRENTLY UNDEVELOPED SITES AND PLAN
TO DEVELOP OR DISPOSE OF THEM AS NECESSARY;
AND
- B. DEVELOP A STATUS SYSTEM TO PROVIDE BETTER
MONITORING OF RECREATION SITE STATUS.

Chapter V

DIVISION OPERATIONS AND MAINTENANCE

The division's regional personnel operate and maintain division recreation sites. During our audit we visited various types of division recreation sites to observe adequacy of site operation and maintenance which we found generally to be excellent.

This chapter discusses our analysis of the division's operations and maintenance activity and includes recommendations related to these functions.

IDENTIFICATION OF RECREATION SITES

During our review we found that the Parks Division is not adequately identifying to the public its recreational sites. Although the division has policies regarding sign colors and shapes, it does not have specific policies and procedures regarding the signs to be provided at each type of recreational site.

During our field visits, we used the "Montana Recreation Map," which was prepared by the Montana Travel Promotion Bureau in conjunction with the department, to select and locate various recreation sites for on-site visits. We were unable to locate the following recreational sites due to either a lack of signs or inadequate signs:

1. Erskine FAS
2. Florence FAS
3. Kokanee Bend FAS
4. Mid Canon FAS
5. Old Steel Bridge FAS
6. Parrot Castle FAS
7. Prewitt Creek SRA
8. Whittecar Rifle Range SRA

The following sites had inadequate signs:

1. Chinaman's SRA - inadequate marking of the swimming area
2. Dearborn SRA - no roadside signs
3. Deep Dale FAS - regulations not posted
4. Fort Owen SM - inadequate roadside signs
5. Headwaters SP
 --confusing sign about $\frac{1}{2}$ mile before facility
 --topographical map at first site needs repair
6. Lambreth Memorial SRA - no sign at split in the road into site
7. Mount Haggin SRA - inadequate signs to identify area to the public - could not tell where it started and ended
8. Pictograph Cave SM - inadequate roadside signs
9. Prickly Pear SRA - no roadside signs
10. Spring Meadow Lake SRA - inadequate roadside signs
11. Parrot Castle FAS - inadequate roadside signs
12. Wild Horse Island SP - inadequate signs denoting the administrative office and private property boundaries.

Division personnel stated there has not been adequate funding in the general operations budget for repairing, replacing, or adding signs. They say adequate funding has only been available when signs are funded on a specific project.

Recreational sites should be adequately identified so they are readily accessible to the public. Without adequate signs, the sites will only be available to local individuals with first-hand knowledge of the sites. By inventorying the signs at division sites, the division can identify areas of need and make specific funding requests.

RECOMMENDATION #6

WE RECOMMEND THE DIVISION:

- A. ESTABLISH FORMAL POLICIES AND PROCEDURES REGARDING THE SIGN REQUIREMENTS AT VARIOUS RECREATION SITES.

- B. INVENTORY ALL SIGNS PRESENTLY IN PLACE AT ITS SITES FOR COMPARISON WITH THESE POLICIES AND PROCEDURES AND REPLACE OR ADD NEW SIGNS TO BRING ITS SITES INTO COMPLIANCE.

DIVISION LIABILITY

Division management presently operates under the policy that it is responsible for the protection of the public against obvious hazards at the division sites. The division also has the normal state liability coverage of \$300,000 per person, \$1,000,000 per occurrence.

During our field visits, we found five facilities with potential hazards that could result in unnecessary division liability if accidents were to occur. These facilities and their hazards are as follows:

1. Chinaman's SRA - inadequate swimming area marking.
2. Elkhorn SM - unlocked buildings and wood sidewalks are in an unsafe condition.
3. Giant Springs SP - no railing on trail along edge of Missouri River.
4. Headwaters SP - inadequate visitor handrails on observation point and related trail.
5. Makoshika SP
 - unsafe road and inadequate guardrails.
 - large eroded holes directly under Cap Rock Nature Trail.

Since visitors to division recreation sites are invitees of the division, it is held to a higher standard of visitor protection. Although the division has not had any significant liability claims to date, one serious accident could easily exceed the limits of present division liability coverage. Division regional personnel conduct periodic recreation site inspections for maintenance purposes. The division should emphasize the need for these inspections to include identification of potential hazards. Through careful planning of

future facilities and correction of deficiencies found during periodic inspections, the division should be able to minimize its accident liability.

RECOMMENDATION #7

WE RECOMMEND THE DIVISION REQUIRE PERIODIC INSPECTIONS OF ITS SITES TO INCLUDE IDENTIFICATION OF POTENTIAL HAZARDS.

FEES

The division establishes usage fees for various division recreation sites and negotiates the percentage of gross receipts to be paid by concessionaires operating on division property. The next two sections discuss the division's lack of adequate criteria for setting such fees.

Recreation Site Usage Fees

The division presently collects \$2 overnight camping fees at 8 recreation sites and \$3 overnight fees at 20 sites out of a total of 146 state recreation sites with camping facilities. There is presently no formal criteria for setting camping fees or selecting recreation sites where fees will be charged. The fee sites are selected by the division staff based on the potential ability of the sites to make a profit. The fee levels are set depending on the facilities available at the applicable sites.

Without formal criteria and procedures for setting fees and for selecting fee sites, the division cannot be assured that its fees are covering an adequate share of related division costs and that fees are being charged at appropriate sites.

Criteria that could be considered in setting fee levels include:

1. portion of division operating costs to be recovered through camping fees;
2. fees charged by private campgrounds; and
3. surrounding states' campground fees.

Criteria to be used to select sites where fees are to be charged could include:

1. recreation site visitation information;
2. facilities available at the recreation site being considered and;
3. recreation site location.

Based on the criteria that it develops, the division might identify additional recreation sites where camping fees should be charged. While fee collections at these sites will increase revenues, these sites may need additional funding to cover the cost of caretakers to collect fees.

RECOMMENDATION #8

WE RECOMMEND THE DIVISION ESTABLISH FORMAL CRITERIA AND PROCEDURES FOR SELECTING FEE CHARGE RECREATION SITES AND SETTING FEE LEVELS.

Concessionaire Fees

The Parks Division presently receives a percentage of gross receipts from each concessionaire operating on division property. These fees range from percentages of 1½ percent to 15 percent, depending on the type, location, and ownership of concessionaire facilities.

Present concessionaire fees have generally been set through negotiation with the concessionaire and consideration of fees charged other division concessionaires. There has been little, if any, consideration of criteria to determine if the division was realizing an adequate return from the concessionaires' use of state property.

The division could consider the use of the following criteria in negotiating concessionaire fees:

1. value and location of state property being used by the concessionaire;

2. division administrative costs related to the applicable concessionaire; and
3. concessionaire gross receipts history.

RECOMMENDATION #9

WE RECOMMEND THE DIVISION ESTABLISH FORMAL CRITERIA FOR SETTING CONCESSIONAIRE FEES.

CANYON FERRY RECREATION AREA ENFORCEMENT ACTIVITY

The Canyon Ferry Recreation Area is one of the division's highest usage areas. Based on a review of division files, discussions with division personnel, and newspaper accounts, there has been a fairly high level of vandalism and dangerous incidents at the area. There appears to be a need for an area enforcement officer, especially during the busy summer months. The past area manager was an ex officio enforcement officer who could make arrests for recreation related violations, but he was too busy with the day-to-day operation of such a large area to spend an adequate amount of time on enforcement. The division plans to train the new area manager as an ex officio enforcement officer. The division is also planning to provide a seasonal enforcement officer for the recreation area.

RECOMMENDATION #10

WE RECOMMEND THE DIVISION CONSIDER REASSIGNING OR HIRING A SEASONAL ENFORCEMENT OFFICER FOR CANYON FERRY RECREATION AREA DURING THE HEAVY USAGE MONTHS.

AGENCY RESPONSE

MONTANA

DEPARTMENT OF

FISH, WILDLIFE AND PARKS



Helena, MT 59620
October 25, 1983

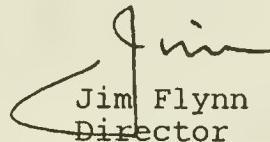
Mr. Scott A. Seacat
Deputy Legislative Auditor
Office of the Legislative Auditor
State Capitol
Helena, MT 59620

RECEIVED
OCT 23 1983
MONTANA LEGISLATIVE AUDITOR

Dear Scott:

I am enclosing my comments to your final draft of the Parks Division Performance Audit. Thank you for the opportunity to participate in discussions as you evaluated this important program.

Regards,


Jim Flynn
Director

JF/fo
Enclosure
cc: Don Hyppa
415/T

DEPARTMENT OF FISH, WILDLIFE AND PARKS
Response to the Legislative Auditor's Performance Audit of
the Parks Division
October 25, 1983

RECOMMENDATION NUMBER ONE

WE RECOMMEND THE DIVISION:

- A. DEVELOP A LONG-RANGE PLAN FOR THE STATE PARK SYSTEM WHICH INCLUDES SPECIFIC, MEASURABLE GOALS AND OBJECTIVES.
- B. PERIODICALLY COMPARE ITS PERFORMANCE AGAINST ESTABLISHED GOALS AND OBJECTIVES.

RESPONSE:

Concur.

IMPLEMENTATION:

As indicated in the audit report the department has established a central planning unit which will address parks program goals and objectives as well as program goals and objectives for fish and wildlife. This planning unit and its mission were conceived prior to the audit and its work is well underway. The strategic plan will be completed by December 31, 1984.

RECOMMENDATION NUMBER TWO

WE RECOMMENDED THE DIVISION DEVELOP FORMAL RECREATION SITE SELECTION CRITERIA.

RESPONSE:

Conditionally concur.

IMPLEMENTATION:

The department has discretionary authority to select and acquire fishing access sites. A selection process has been established for fishing access sites. Presently the only other acquisitions for the state park system come through the Coal Tax Parks Program. These sites are selected by the legislature. The department will develop selection criteria which will be available to the legislature if it chooses to use it. We will have an initial draft of the criteria available prior to the 1985 session.

RECOMMENDATION NUMBER THREE

WE RECOMMEND THE DIVISION REDESIGN THE COAL TAX PARKS ACQUISITION PROPOSAL SUMMARY TO INCLUDE A DIVISION EVALUATION OF EACH PROPOSAL.

RESPONSE:

Conditionally concur.

IMPLEMENTATION:

Based upon experience gained during the previous three legislative sessions, the department is providing the legislature the information it desires in a form which is acceptable to that body. However, the department will be prepared to provide additional evaluation information and make recommendations on proposed sites if the legislature requests it. In the 1985 session we again will discuss with the Long Range Building Committee the form and content of the report we provide to them. We will be happy to make any changes requested by the committee and will be willing to draft legislation to accommodate those changes if it appears to be necessary.

RECOMMENDATION NUMBER FOUR

WE RECOMMEND THAT LEGISLATION BE ENACTED TO CHANGE THE COAL TAX PARKS PROPOSAL SUBMITTAL DATE TO JULY 1 OF THE YEAR PRECEDING THE CONVENING OF A LEGISLATIVE SESSION.

RESPONSE:

Conditionally concur.

IMPLEMENTATION:

The department will draft such legislation if requested to do so by the legislature.

RECOMMENDATION NUMBER FIVE

WE RECOMMEND THE DIVISION:

- A. REVIEW CURRENTLY UNDEVELOPED SITES AND PLAN TO DEVELOP OR DISPOSE OF THEM AS NECESSARY; AND
- B. DEVELOP A STATUS SYSTEM TO PROVIDE BETTER MONITORING OF RECREATION SITE STATUS.

RESPONSE:

Concur.

IMPLEMENTATION:

- A. A review of all department land holdings has been underway for about one year. The 1983 Legislative session authorized one FTE to enhance that effort. This will be an ongoing process.
- B. Our automated inventory of state parks system sites is being modified to include and identify undeveloped sites.

RECOMMENDATION NUMBER SIX

WE RECOMMEND THE DIVISION:

- A. ESTABLISH FORMAL POLICIES AND PROCEDURES REGARDING THE SIGN REQUIREMENTS AT VARIOUS RECREATION SITES.
- B. INVENTORY ALL SIGNS PRESENTLY IN PLACE AT ITS SITES FOR COMPARISON WITH THESE POLICIES AND PROCEDURES AND REPLACE OR ADD NEW SIGNS TO BRING ITS SITES INTO COMPLIANCE.

RESPONSE:

Conditionally concur.

IMPLEMENTATION:

- A. The department does have policies and procedures for signing recreation sites. These will be consolidated into a signing manual which will be distributed to field employees for their use.
- B. Sites will be inventoried routinely on an annual basis. It may be necessary to request additional appropriations and FTE authority to upgrade the signing system. Once in place ongoing maintenance of the signs can be accomplished using routine operations funding.

RECOMMENDATION NUMBER SEVEN

WE RECOMMEND THE DIVISION REQUIRE PERIODIC INSPECTION OF ITS SITES TO INCLUDE IDENTIFICATION OF POTENTIAL HAZARDS.

RESPONSE:

Concur.

IMPLEMENTATION:

Seasonal caretakers routinely inventory the facilities at each site as part of their initial responsibilities when the sites are opened each spring. We will require that such inventories include an inspection for potentially hazardous situations. Capital construction project proposals presently are subjected to a ranking system which ranks correction of health and safety problems as highest priority. This procedure will be continued.

RECOMMENDATION NUMBER EIGHT

WE RECOMMEND THE DIVISION ESTABLISH FORMAL CRITERIA AND PROCEDURES FOR SELECTING FEE CHARGE RECREATION SITES AND SETTING FEE LEVELS.

RESPONSE:

Conditionally concur.

IMPLEMENTATION:

Presently the division collects fees at sites where it can "make a profit" and where the manpower is available. Establishing and implementing more formal criteria will very likely increase the number of sites at which fees should be charged. Additionally, there are sites where fees are charged but the manpower is not available to collect seven days per week or to collect from all campers on a given day. In order to correct these problems and to implement a more formal fee collection criteria, additional funding and FTE authority must be secured from the legislature. The department will include such a request when preparing its budget for consideration by the 1985 session.

RECOMMENDATION NUMBER NINE

WE RECOMMEND THE DIVISION ESTABLISH FORMAL CRITERIA FOR SETTING CONCESSIONAIRE FEES.

RESPONSE:

Concur.

IMPLEMENTATION:

The criteria will be established by December 31, 1984.

RECOMMENDATION NUMBER TEN

WE RECOMMEND THE DIVISION CONSIDER REASSIGNING OR HIRING A SEASONAL ENFORCEMENT OFFICER FOR CANYON FERRY RECREATION AREA DURING THE HEAVY USAGE MONTHS.

RESPONSE:

Concur.

IMPLEMENTATION:

Additional enforcement help will be provided by an ex-officio parks division employee or warden(s) for the next and subsequent recreation seasons.

ADDITIONAL COMMENTS:

Page 18, Proposal Evaluations

The audit report takes exception to the acquisition of three sites (Spring Meadow Lake, Lake Elmo, and Glen Lake) because they are in or near urban areas and therefore are inappropriate for the state park system. The report refers to ARM Section 12.8.103 which in part states "... state recreation areas should not be furnished in lieu of municipal, county or federal facilities."

The state park system historically has been a product of the legislature and has undergone a long evolution which recently has added an urban park element. That is appropriate. What is actually needed is for the department to review and revise its state park system criteria. That will be done as a part of the department and division long range planning process.

Page 20, Undeveloped recreation sites

With one exception (Bridger Bowl State Park which will be disposed of as surplus) the areas listed are fishing access sites. While it is true that many are undeveloped, this is a result of funding shortcomings. This issue has been brought before each legislative session for a number of years. Some progress has been made. However, the legislature continues to emphasize acquisition over maintenance and development. This is primarily due to the expressed public opinion by those who pay the fees. Funding for that program sets aside a portion of fishing license revenues with the majority set aside for acquisition and a lesser amount for maintenance and development. In 1981 the session increased the maintenance and development share but it still favors acquisition.

Users who pay the bill resist any lessening of the acquisition program and hesitantly accept the lessening that has occurred to date. The audit report suggests a course of action that we do not have the authority to implement. We can only do what the legislature authorizes. We spend as much money on maintenance and development as each session approves.

Page 25, division liability

We certainly want to do everything that is reasonable, justifiable and necessary to protect the safety of our visitors not only from a liability but from a humanitarian point of view. However, we have found that the ends of the spectrum, i. e. where we clearly have responsibility and where we clearly don't have responsibility are not easy to define. There is a vast area of gray in the middle where a good deal of subjective judgment comes into play. On various occasions in the past we have met with legal counsel about specific situations and as result have adopted a philosophy which I will briefly outline below:

1. The department should design and construct safe facilities.
2. The department should maintain its facilities and sites in a safe condition.
3. It is not reasonable to expect the department to protect visitors from all the "natural hazards" which one would normally confront in a "natural environment." The recreationist must take some responsibility for his own actions and respect the natural features of an area.

415/T

